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COMPENSATION COMMISSION
GOVERNING COUNCIL

Decision concerning the priority of payment and payment mechanism for the second phase of payment taken by the Governing Council of the United Nations Compensation Commission at its 88th meeting, held on 24 June 1999 at Geneva

The Governing Council,

Desiring to fulfill the purposes of decision 17 ((S/AC.26/Dec.17 (1994)) to provide priority of payment to claimants in categories "A", "B" and "C", while also providing meaningful compensation to claimants in categories "D", "E" and "F" at the earliest possible date, and

Further desiring to achieve full payment of all claims in categories "A" and "C" no later than the end of 2002, and earlier if possible,

Decides that notwithstanding paragraph 6 of decision 17, after the payments provided for in paragraph 2 of decision 17 have been made, the funds available to the Commission for the payment of claims shall be allocated as follows until the principal amounts of all claims in categories "A" and "C" have been paid in full:

(a) The Executive Secretary shall transfer funds to each appropriate government in respect of approved claims in all categories. Such transfers shall be made when there are funds in the Compensation Fund sufficient to make a payment of US$25,000 (or the unpaid principal amount of the award if less) in respect of each approved claim. Once the above amount has been paid on all awards of claims in categories "A" and "C" and all approved claims in categories "D", "E" and "F", the amount for further payments on all claims shall increase to US$75,000 (or the unpaid principal amount of the award if less);

(b) In making payments under subparagraph (a), the Executive Secretary shall make payments on an instalment-by-instalment basis. Payments on instalments of claims in each category shall be made in the same order in which the instalments of claims themselves were approved by the Governing Council. The Executive Secretary may make payments to multiple instalments of claims at the same time; and

(c) That if upon the payment of the amount referred to in subparagraph (a) above on any claim, that claim will have a remaining principal balance of US$1,000 or less, the Executive Secretary may pay the full remaining principal balance of the claim,

Expresses its willingness to consider the special circumstances pertaining to successful environmental monitoring and assessment claims and, in this context, to consider addressing the level and priority of payments to be made in respect of such claims. At the same time, the Governing Council reaffirms its commitment to the rapid resolution of the category "A" and category "C" payment process,

Expresses its intention to consider before the end of the second phase of payment the rules that will apply for making further payments on those claims in categories "D", "E" and "F" that will have unpaid balances remaining once the second phase of payments has been completed, and the amounts of such payments.